Scenario

In this lesson, our SHARP trainer, Hall, will show the newly hired Payroll Processor, Kelly, how to use the Online Check page to calculate an employee's pay in a what-if scenario in SHARP.

Hall

Kelly

Lesson Objectives

After completing this lesson, you will be able to:

- Understand the purpose of Online Check
- Learn the rules for modeling different types of changes – earnings, deductions, or taxes
- Use the Online Check page to model the pay impact on certain changes to earnings, deductions, or taxes

Lesson 6: Online Pay Computation

Lesson Topics

In this lesson you will learn about the following topics. Click **Home** at any time to return to this menu. Click each topic button to navigate to that topic.

Topic 1: Online Check Overview

Topic 2: Online Check Rules

Topic 3: Requesting an Online Check

What Is the Purpose of Online Check?

The Online Check page is used to compute an employee's gross-to-net on-line. The online check results may be used to complete the "Should Be" section of the payroll adjustment form (DA-180), or advise employees of the impact of certain changes to earnings, taxes, or deductions.

Can I Use the Online Check Process At Any Time?

Yes. However, the system will not allow more than one online calculated check at a time. If you use the Online Check process during the on-cycle pay calculation, you will not be able to view the employee's on-cycle calculated paycheck in SHARP. However, the on-line paycheck will reappear the next day. For this same reason, **it is imperative that you delete the Online Check after the calculation**. If you forget to delete the online check, the system will keep another check from calculating.

Tips: The Online Check page will not actually create a paycheck for the employee.

Online Check Rules - 1

- The security settings in SHARP will NOT allow a user to change his/her own tax data or create an online check for himself/herself. These tasks must be performed by another user.

- The employee's current job (except for imputed income), deductions , and tax data automatically default for the calculation of the online check. If the original check was processed in the previous calendar or fiscal year, the employer/employee's rate of pay, Group Health Insurance, Flexible Spending Accounts, Workers Comp, Unemployment Insurance tax, State Leave Assessment, employer KPERS, etc. could have changed. You will need to manually manipulate the Online Check data to match what it was when the paycheck was issued. For detailed instructions and examples, refer to Online Check Procedures for Paycheck Modeling under Payroll at http://www.admin.ks.gov/resources/guidance-documents

Online Check Rules - 2

- The Online Check functionality does not calculate imputed income. The employee's Taxable Group Life amount must be entered as Other Earnings using Earnings Code TGL, in order for the taxes to calculate correctly. Use the amount from the employee's last paycheck unless the employee is receiving a change in pay. If the rate of pay is increasing/decreasing, the amount will need to be hand calculated. The formula for calculating imputed income can be found in Informational Circular 99-P-031 at http://www.admin.ks.gov/resources/informational-circulars.

Online Check Rules - 3

- If the calculation is for a change in the employee’s tax data, such as tax withholding status (married or single) and/or a difference in allowances or additional amount(s), you will need to first change the Employee Tax Data before going to the Online Check.
  1) Go to Payroll for North America > Employee Pay Data USA > Tax Information > Update Employee Tax Data.
  2) Enter the Employee ID Number and click on "Search".
  3) Add a new row by clicking on the Add Row (+) button on the right side of the page. Be sure to use a **future** effective date. Make necessary changes.
  4) Click on "Save".
  5) After the Online Check has calculated, you will need to go back and delete the tax row that was just added.

Requesting an Online Check - 1

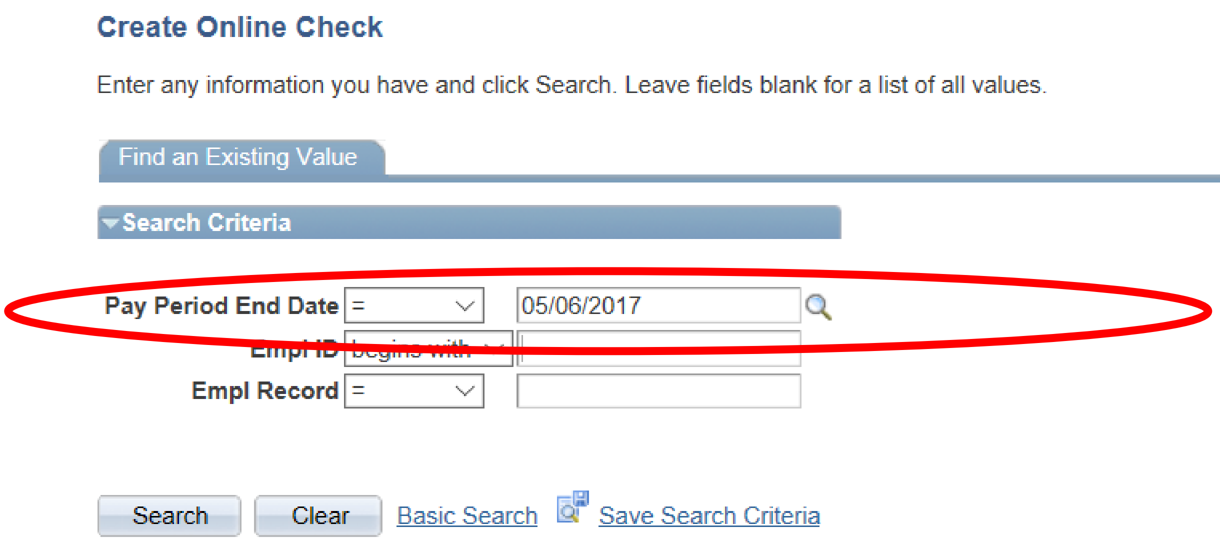
Online checks are entered on the Online Check page.

The full menu path is :
Payroll for North America > Payroll Processing USA > Create Online Checks > Create Online Check

Caution: If you use the Online Check process during the on-cycle pay calculation, you will not be able to view the employee's on-cycle calculated paycheck in SHARP. However, the on-line paycheck will reappear the next day if you delete the calculated online check.

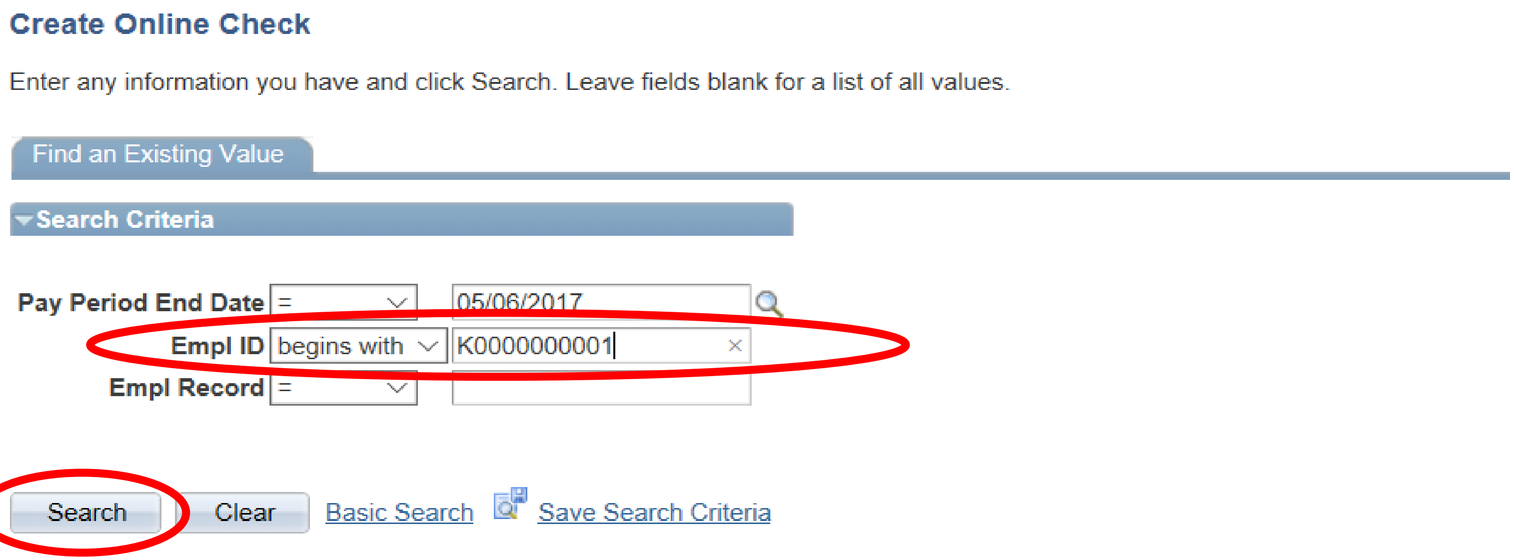
The following example will model an employee's net pay changes when the employee works 8 hours overtime and gets a $500.00 bonus using the Online Check page.

Requesting an Online Check - 2



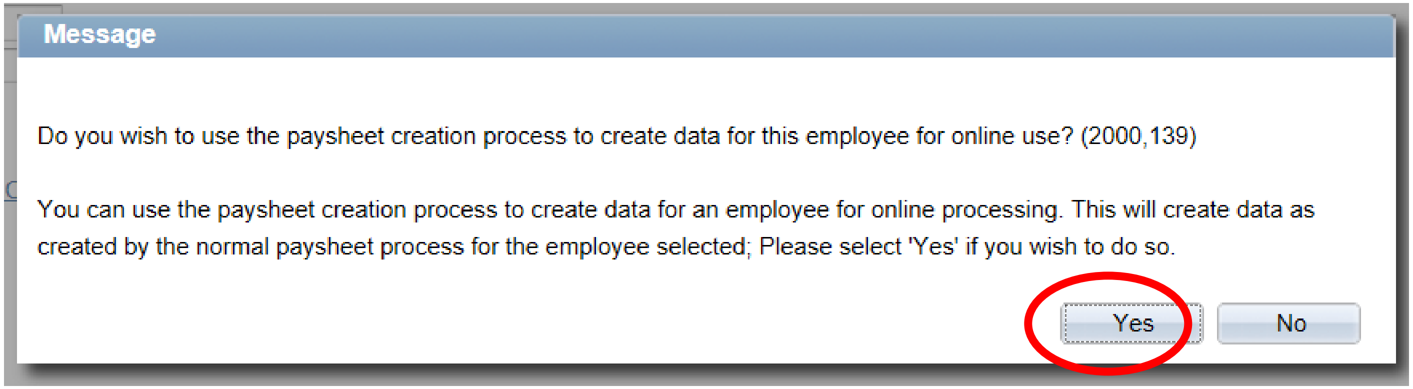
Step 1: Type **pay period end date** in the Pay Period End Date field. The Pay Period End Date used **must be** for a pay period that has not been confirmed. Normally you will want to use the next pay period end date.

Requesting an Online Check - 3



Step 2: Type the **employee Id** in the Empl ID field, then click **Search**.

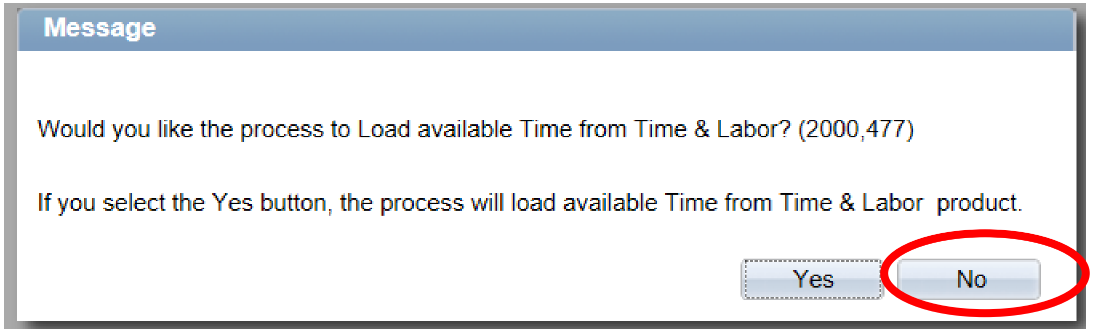
❑ Requesting an Online Check - 4



Step 3: For most employees, you will want to click on “**Yes**”.

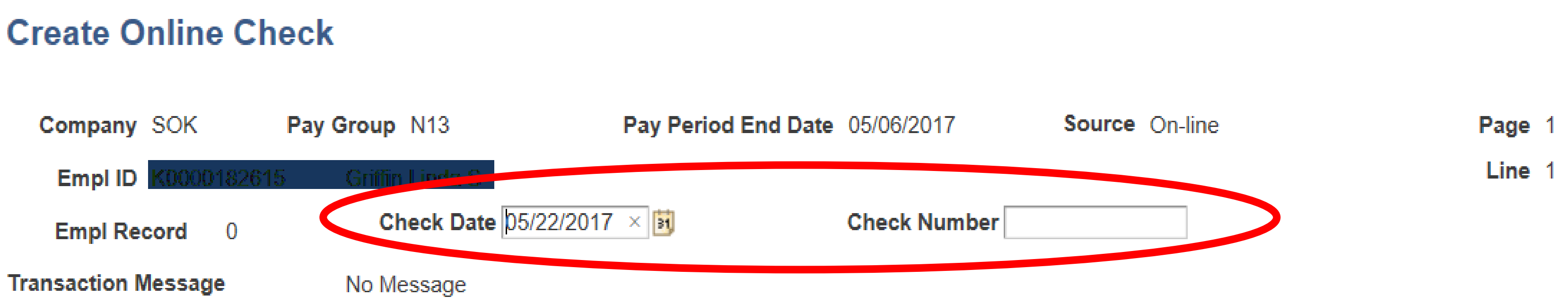
However, if the employee is terminated, you can still process an online check if you click on “No”. If you click on “No”, the Online Check created will have only one two-week period of earnings. If the employee was a 7-day, non-exempt employee, you will need to change the earnings dates to reflect one week only. If desired, you can add an earnings row for the other week in the pay period.

Requesting an Online Check 5



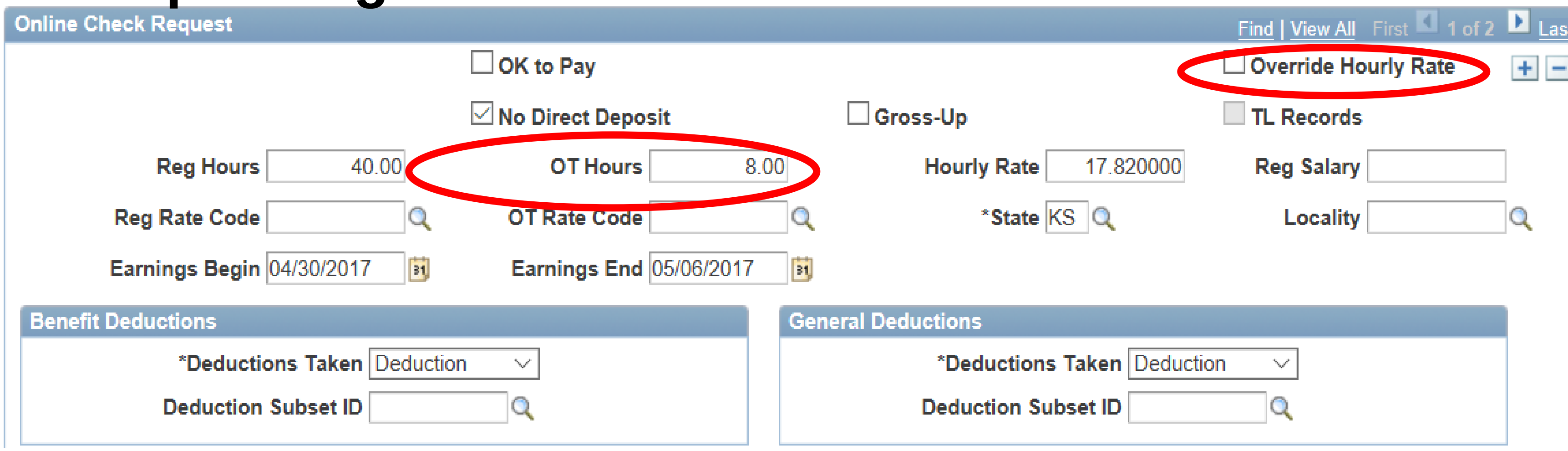
Step 4: Click on **No**.

Requesting an Online Check - 6



The system will take you to the Create Online Check page. For an unconfirmed check, the Check Date will show the current date and the Check Number will be blank. **DO NOT change this data.**

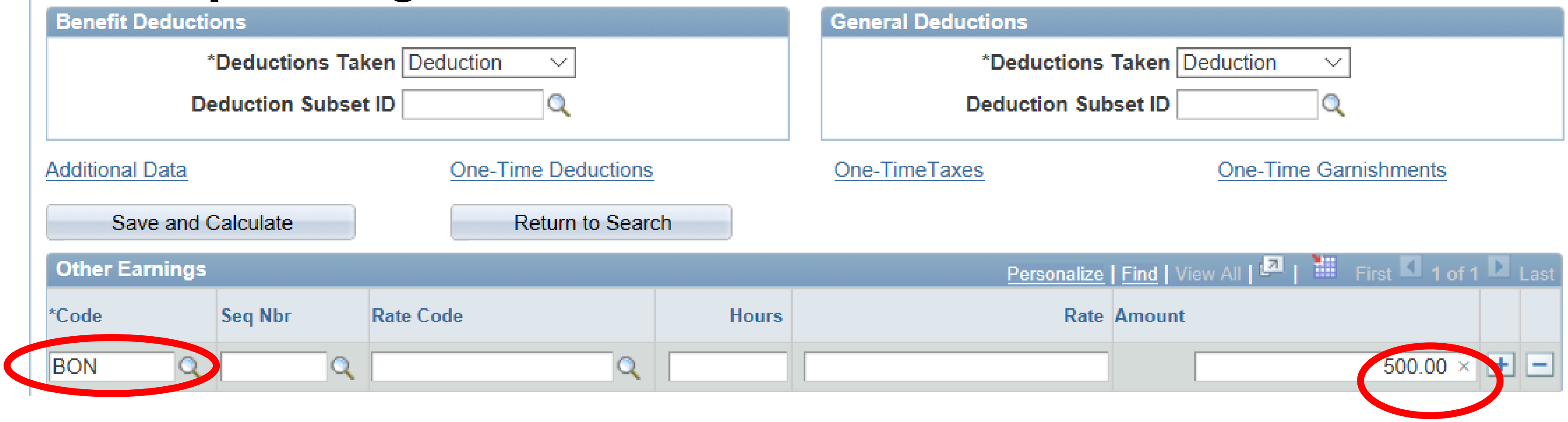
Requesting an Online Check - 7



Step 5: We are modeling what an employee's paycheck will be with 8 hours overtime and a $500 bonus. Type **8** in the OT (Overtime) Hours field.

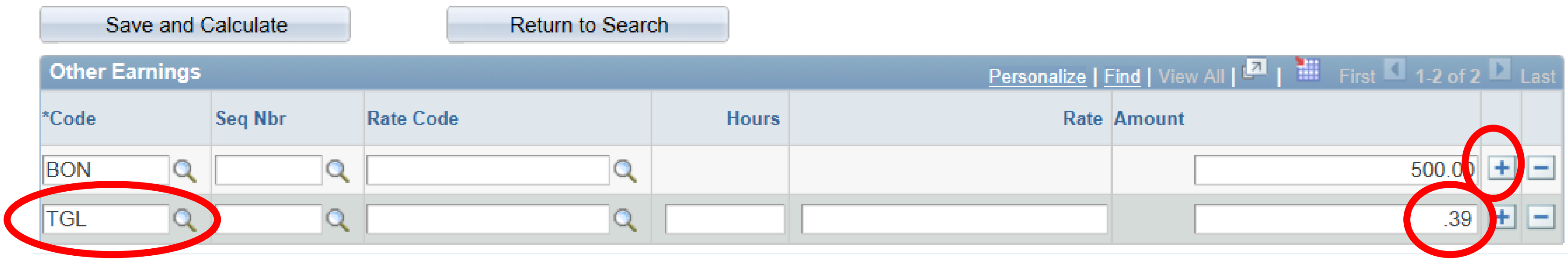
Note: When modeling pay rate changes, turn on the Override Hourly Rate check box , then type the new rate in the Hourly Rate field to override the regular pay rate. **Do NOT** change No Direct Deposit, Gross Up, TL Records, State, and Locality fields.

Requesting an Online Check - 8



Step 6: In the **Other Earnings** section, type **BON** (or select it using the Lookup button) in the Code field., then click and type **500.00** in the Amount field.

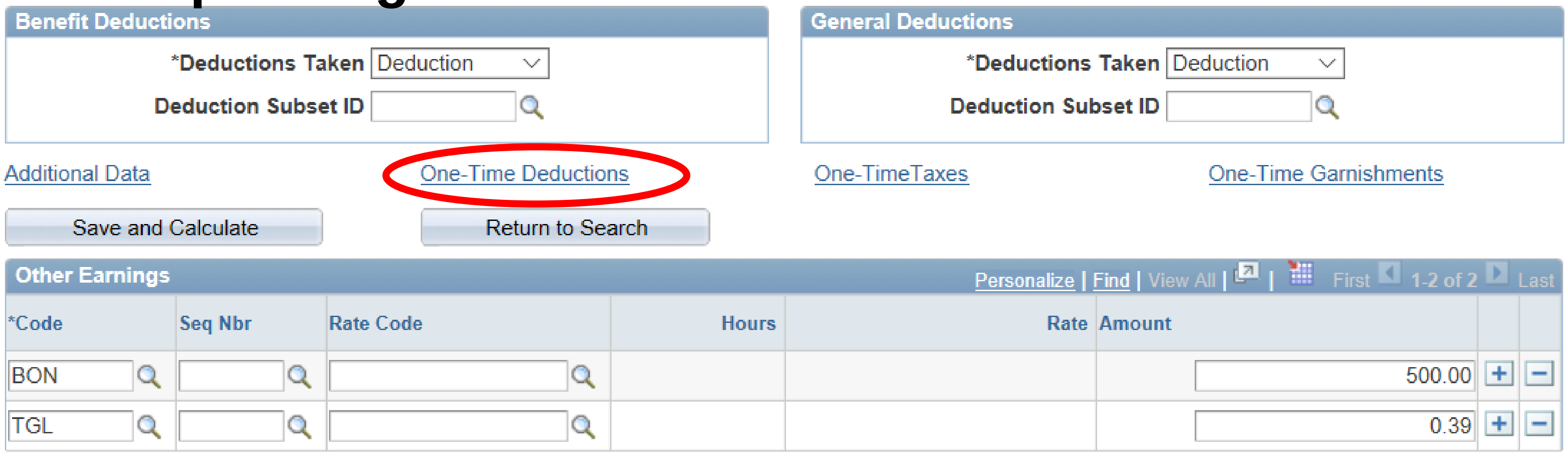
Requesting an Online Check - 9



Note: Step 7 is only necessary when the employee is paid imputed income (taxable group term life insurance). You can find the employee’s TGL on the employee’s last paycheck (***Main Menu>Payroll for North America>Payroll Processing USA>Produce Payroll>Review Paycheck***) in the **Paycheck Earnings** tab. When modeling pay rate changes, the TGL amount will need to be hand calculated using the formula on Annual Benefits Base Rate/Imputed Income found in Informational Circular 99-P-031 at http://www.admin.ks.gov/resources/informational-circulars.

Step 7: Click the **Add Row** button to add a row. Type **TGL** in the Code field, then click and type the TGL amount (found on the employee’s paycheck) in the Amount field – in this example, the employee’s taxable TGL is $**.39**.

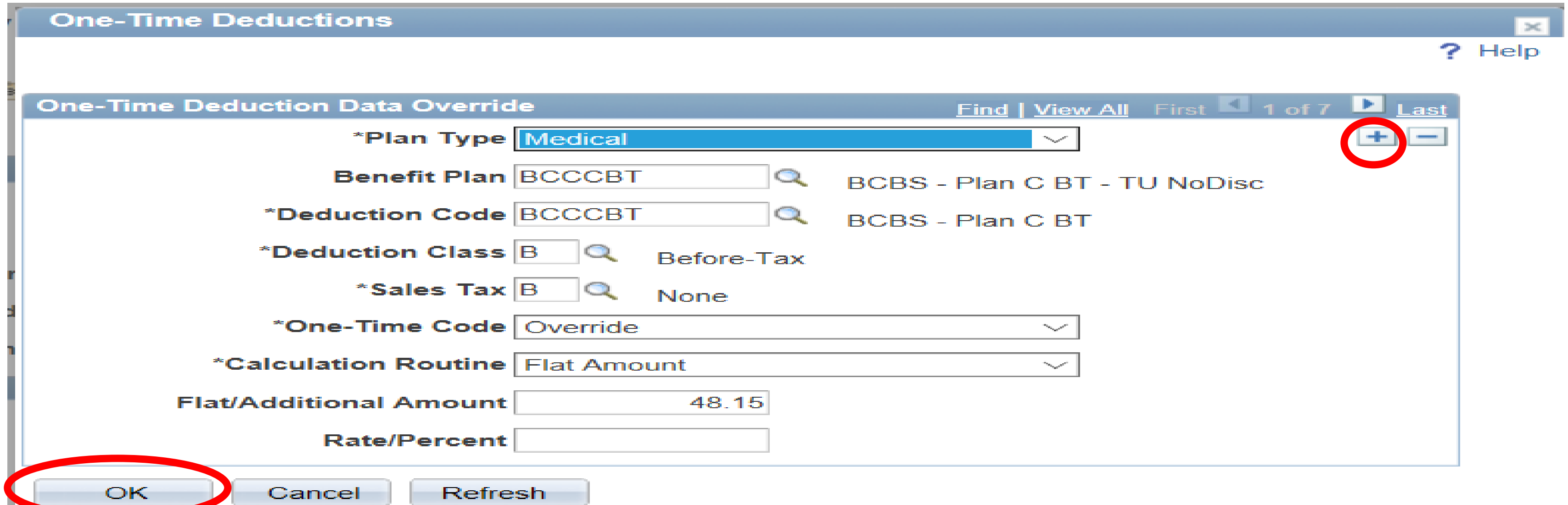
Requesting an Online Check - 10



After PPED 08/30/2014, health deductions information, such as medical, dental, & vision insurance, HSA, FSA, voluntary supplemental insurance, and HRA are no longer maintained in SHARP and must be entered on the One-Time Deductions page. If you are modeling One-Taxes, or other areas not covered in this example, please refer to Online Check Procedures for Paycheck Modeling at https://www.admin.ks.gov/offices/chief-financial-officer/payroll-services/payroll-procedures for detailed instructions.

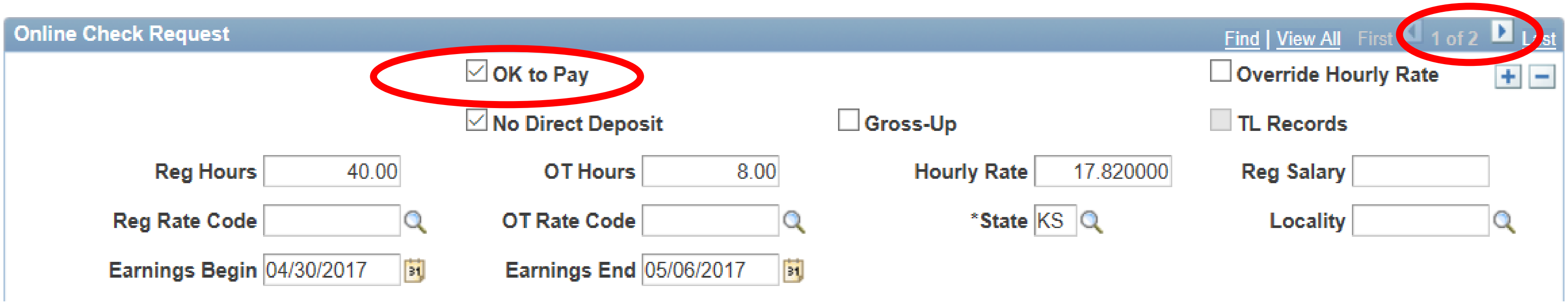
Step 8: Click on the One-Time Deductions link to go to that page.

Requesting an Online Check - 11

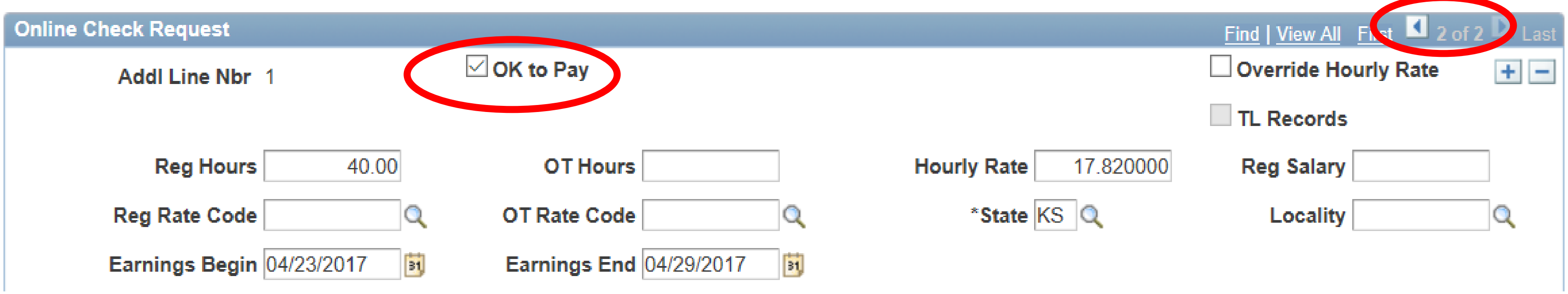


Step 9: You would enter the employee's health, dental, & vision insurance, HAS, etc. on this page. Use the Add row button to add each additional row. Rates can be found on the employees recent paycheck. Please refer to the Online Check Procedures for Paycheck Modeling at http://www.admin.ks.gov/offices/osm/payroll-procedures for detailed instructions. Click **OK** after entering the employee's health deductions.

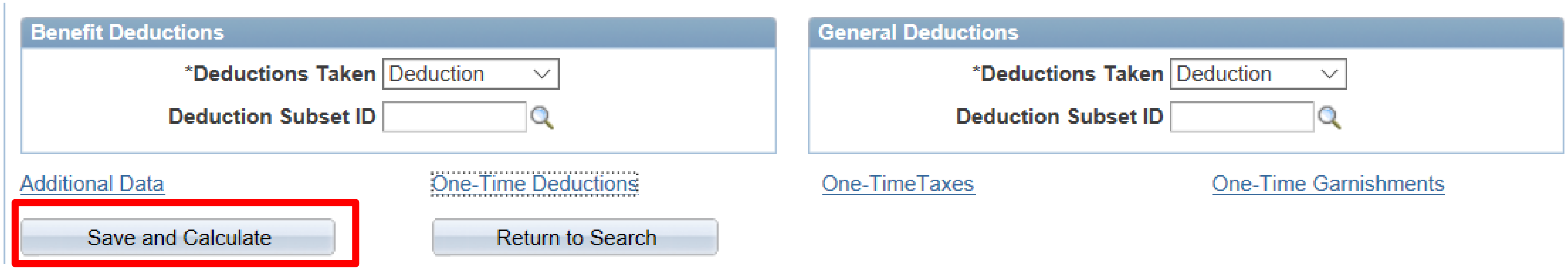
Requesting an Online Check - 12



Step 10: After clicking OK, the system will return you to the main screen. Click the **OK to Pay** check box. We also want the calculation to include the first week in the pay period, so click the **Show Next Row** button to access the first week and click the OK to Pay button on that page as well. (See below)

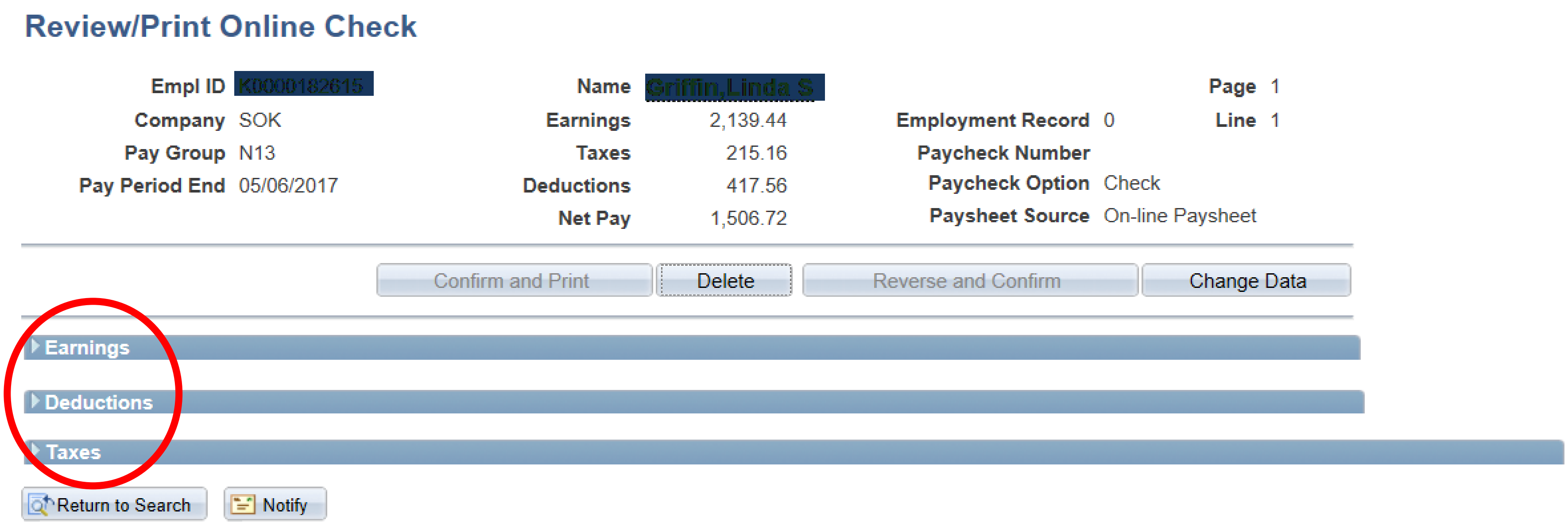


Requesting an Online Check - 13



Step 11: When you are ready, click the Save and Calculate button.

Requesting an Online Check - 14



Step 12: After you clicked the Save and Calculate button, the calculated results will display. You can click on the Expand button ( ) in front of each expandable bar to view the details in the section.

Requesting an Online Check - 15

Review/Print Online Check

Empl ID	[redacted]	Name	[redacted]			Page	1
Company	SOK	Earnings	2,139.44	Employment Record	0	Line	1
Pay Group	N13	Taxes	215.16	Paycheck Number			
Pay Period End	05/06/2017	Deductions	417.56	Paycheck Option	Check		
		Net Pay	1,506.72	Paysheet Source	On-line Paysheet		

Confirm and Print | Delete | Reverse and Confirm | Change Data

Earnings

Deductions

Taxes

Return to Search | Notify

Step 13: If you wish to model a different scenario, click on the Change Data button to go back to the Online Check page to change data.
When you are done viewing the results, be sure to click on the Delete button to delete the online results, otherwise, the system will not calculate another check, i.e., the employee's next paycheck.

Lesson Checkpoint

Now is your opportunity to ensure that you are learning the course material. After you read the question, make your selection, then compare your response to the correct answer provided at the bottom of the page.

Lesson Checkpoint

When modeling W-4 changes, the user......?

A) Makes tax changes and does online calculation all on the Online Check page.
B) Makes tax changes on the appropriate tax data pages, then does online calculation using the Online Check page.
C) Makes tax changes on the One-Time Taxes page and does online calculation using the Online Check page.

The correct answer is B.

Lesson Checkpoint

When modeling multiple scenarios for an employee, to model the next scenario, the user should ...?

A) Click on the Change Data button to return to the Online Check to enter data for the next scenario.
B) Contact Payroll Services for help.
C) Cancel the Online Results and start over.

The correct answer is A.

Lesson Checkpoint

The One-Time Deductions page is used to enter …

A) the employee's current deductions.
B) the employee's deductions over a certain limit.
C) the changes/additions to the employee's existing deductions.

The correct answer is C.

Lesson Summary

The system will not allow more than one online calculated check at a time. **It is very important that you delete the Online Check after you are done.**

The Online Check functionality does not calculate imputed income. Be sure to enter the Taxable Group Life amount under Other Earnings using Earnings Code TGL.

When modeling tax data changes, you will need to first change the employee's tax data using a future effective date before going to the Online Check; and then delete the tax data row immediately afterwards.

In this lesson, I walked you through the purpose of online check, and the online check policy and procedures. On the left are some key concepts discussed in this lesson.

Lesson Completion

Congratulations! You have finished this lesson.

If you have another lesson to take, return to the 9.2 Training Resources page and select the next lesson you want to take.